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DEPARTMENT OF COMMERCE

International Trade Administration

Trade Mission to Central America in conjunction with the Trade Americas - Opportunities in Central America Conference, June 21-26, 2015

AGENCY: International Trade Administration, Department of Commerce.

ACTION: Notice.

MISSION DESCRIPTION

The United States Department of Commerce, International Trade Administration (ITA) is organizing a trade mission to Central America, in conjunction with the Trade Americas - Opportunities in Central America Conference in Guatemala June 21-26, 2015. U.S. trade mission delegation participants will arrive in Guatemala on or before June 21 to attend the networking reception to open the Trade Americas - Opportunities in Central America Conference. Trade mission participants will attend the Conference on June 22. Following the morning session of the conference, trade mission participants will participate in one-on-one consultations with U.S. and Foreign Commercial Service (US&FCS) Commercial Officers and/or Economic/Commercial Officers from the following U.S. Embassies in the region: Costa Rica, El Salvador, Honduras, Guatemala, Belize, and Nicaragua. The following day, June 23, trade mission participants will engage in business to business appointments with companies in Guatemala. A limited number of trade mission participants will then travel to either, El Salvador, Honduras, Costa Rica, Belize, or Nicaragua (choosing only one market) for optional additional business-to-business appointments. Each business to business appointment will be with a pre-screened potential buyer, agent, distributor or joint-venture partner.

The Department of Commerce's Trade Americas - Opportunities in Central America Region Conference will focus on regional and industry-specific sessions, market entry strategies, logistics and trade financing resources as well as pre-arranged one-one-one consultations with US&FCS Commercial Officers and/or Department of State Economic/Commercial Officers with expertise in commercial markets throughout the region.

The mission is open to U.S. companies from a cross-section of industries with growing potential in Central America, but is focused on U.S. companies in best prospect sectors such as safety and security equipment; automotive parts/service equipment; food processing & packing equipment; renewable energy technologies, and hotel and restaurant equipment.

The combination of the Trade Americas - Opportunities in Central America Conference and business-to-business matchmaking opportunities in Guatemala and one of the other optional Central American markets will provide participants with access to substantive information about, and strategies for, entering or expanding their business across the Central America region.

COMMERCIAL SETTING

The mission supports the federal government's Look South initiative, which encourages U.S. companies to explore opportunities in the United States' 11 free trade agreement partner (FTA) countries in Latin America. The FTA in the region, CAFTA-DR, includes the following five Central American countries: El Salvador, Guatemala, Honduras, Nicaragua and Costa Rica. As a result of this FTA, 100 percent of U.S. consumer and industrial goods exports to the CAFTA-DR countries will no longer be subject to tariffs by 2015. The CAFTA-DR region was the 14th largest U.S. export market in the world in 2013, and the third largest in Latin America behind Mexico and

Brazil. The United States exported \$29.5 billion in goods to the five Central American countries.

Export.gov/LookSouth includes “Best Prospect” market snapshots in Central America.

Guatemala:

The United States and Guatemala enjoy a strong and growing trade relationship, especially under the U.S.-Central America-Dominican Republic Free Trade Agreement (CAFTA-DR). The United States is Guatemala’s largest trading partner accounting for nearly 40 percent of Guatemala’s trade. U.S. products and services enjoy strong name recognition in Guatemala, and U.S. firms have a good reputation in the Guatemalan marketplace.

U.S. exports to Guatemala U.S. goods exports to Guatemala in 2013 were \$5.5 billion, 95 percent higher than the level in 2005, the year before CAFTA-DR entered into force. The leading sectors for U.S. exports and investment are: Automotive Accessories, Auto Parts and Service Equipment; Security and Safety Equipment; Travel and Tourism; Petroleum Products; and Forestry and Woodworking Machinery.

Costa Rica:

The United States is Costa Rica’s main trading partner, accounting for about 47% of Costa Rica’s total imports. U.S. products enjoy an excellent reputation for quality and price-competitiveness. Proximity to the Costa Rican market is also a major advantage for U.S. exporters who wish to visit or communicate with potential customers, facilitating close contacts and strong relationships with clients, both before and after the sale. U.S. goods exports to Costa Rica in 2013 were \$7.2 billion. The leading sectors for U.S. exports and investment are: Automotive Parts; Accessories and Service Equipment; Construction Equipment; Travel and Tourism; Cosmetics; Franchising; and Solar Energy Products.

El Salvador:

The United States is El Salvador's leading trade partner. El Salvador offers an open market for U.S. goods and services. Tariffs are relatively low, and were reduced further with the implementation of the Dominican Republic-Central America-United States Free Trade Agreement (CAFTA-DR). The value-added tax (VAT) rate in El Salvador is 13%. El Salvador's strategic location in Central America makes it a good platform for industrial and service investments aimed at re-exports. U.S. goods exports to El Salvador in 2013 were \$3.3 billion. The leading sectors for U.S. exports and investment are: Automotive Parts and Service Equipment; Construction; Franchising; and Travel and Tourism.

Honduras:

The United States is the chief trading partner for Honduras, supplying 46.2 percent of Honduran imports. Located in the heart of Central America, Honduras is the second largest country in the region. Its deep-water port, Puerto Cortés, is the first port in Latin America to qualify under both the Megaports and Container Security Initiatives (CSI), which now facilitate the screening of approximately 90 percent of transatlantic and transpacific cargo prior to importation into the United States. U.S. goods exports to Honduras in 2013 were \$5.4 billion. The leading sectors for U.S. exports and investment are: Automotive Parts/Service Equipment; Food Processing and Packaging Equipment; Franchising; Safety and Security Equipment; and Travel & Tourism Services.

Belize:

U.S. remained Belize's principal trading partner. Belize is a consumer nation and relies heavily on imports. The United States provided over 44% of total Belizean merchandise imports in 2012. U.S. goods exports to Belize in 2013 were \$241.2 million. The leading sectors for U.S.

exports and investment are: Travel and Tourism; Agriculture and Agribusiness; Petroleum; Information Communication Technology and Renewable Energy and Green Technology.

Nicaragua:

The United States is Nicaragua's largest trading partner, the source of roughly a quarter of Nicaragua's imports and the destination for approximately two-thirds of its exports (including free zone exports). U.S. exports to Nicaragua totaled \$1.1 billion in 2013. The leading sectors for U.S. exports and investment are: Renewable Energy Technology; Food Processing and Packaging Equipment; Hotel and Restaurant Equipment; Medical and Dental Equipment; Building Products/Construction Equipment; and Plastics.

MISSION GOALS

The goal of the mission is to help participating U.S. companies gain market insights, make industry contacts, solidify business strategies and identify potential partners, agents, distributors, and joint venture partners in Guatemala and, if requested, their choice of El Salvador, Honduras, Costa Rica, Belize, and Nicaragua , laying the foundation for successful long-term ventures to take advantage of market opportunities in Central America. The delegation will have access to US&FCS Commercial Officers, Commercial Specialists, and Department of State Economic/Commercial Officers during the mission, learn about business opportunities, and gain first-hand market exposure from the markets in the region. Trade mission participants already doing business in Central America will have the opportunity to further advance business relationships and explore new opportunities.

MISSION SCENARIO

The mission will include registration for the Trade Americas - Opportunities in Central America Conference, including conference materials and admission to all sessions and networking events

with industry and government representatives; industry and country market briefings; and logistical support. It also includes one-on-one appointments with pre-screened potential business partners in Guatemala and one other Central American market.

MISSION TIMETABLE

June 21	Travel Day/Arrival in Guatemala Registration, Market Briefings, and Networking Reception
June 22	Guatemala Morning: Registration and Trade Americas - Opportunities in Central America Conference Afternoon: U.S. Embassy Officer Consultations Evening: Ambassador's Networking Reception
June 23	Guatemala Business-to-Business Meetings
June 24	Travel Day -- Return to the US or go to optional stop

OPTIONAL

June 25	Business-to-Business Meetings in (Choice of one market): Option (A) Honduras Option (B) Costa Rica Option (C) El Salvador Option (D) Belize Option (E) Nicaragua
June 26	Return to the U.S.

PARTICIPATION REQUIREMENTS

All companies interested in participating in the U.S. Department of Commerce Trade Mission to Central America must complete and submit an application package for consideration by the Department of Commerce. All applicants will be evaluated on their ability to meet certain conditions and best satisfy the selection criteria as outlined below.

A minimum of 25 and a maximum of 35 companies will be selected to participate in the mission from the applicant pool based on market suitability of their product or service. During the registration process, applicants will be able to select their markets of choice and will receive a brief market assessment for each selected market. All selected participants will attend business-to-business meetings in Guatemala. For those companies seeking to participate in additional business-to-business meetings in another market on June 25, we will select based on market suitability. The maximum number of companies that may be selected for each country are as follows: 25 companies for Guatemala, 5 companies for El Salvador; 5 companies for Belize; 20 companies for Costa Rica; 10 companies for Honduras; and 5 companies for Nicaragua. U.S. companies already doing business in, or seeking to enter the market in Costa Rica, El Salvador, Belize, Guatemala, Honduras, and Nicaragua for the first time may apply.

Fees and Expenses:

After a company has been selected to participate on the mission, a payment to the Department of Commerce in the form of a participation fee is required.

- For business-to-business meetings in Guatemala (only one market), the participation fee will be \$2,100 for a small or medium-sized enterprise (SME)¹ and \$3,100 for a large firm.

¹ An SME is defined as a firm with 500 or fewer employees or that otherwise qualifies as a small business under SBA regulations (see http://www.sba.gov/services/contracting_opportunities/sizestandardtopics/index.html). Parent companies, affiliates, and subsidiaries will be considered when determining business size. The dual pricing reflects the Commercial Service's user fee schedule that became effective May 1, 2008 (see <http://www.export.gov/newsletter/march2008/initiatives.html> for additional information).

- For business-to-business meetings in Guatemala and one other market (two markets), the participation fee will be \$2,800 for a small or medium-sized enterprise (SME) and \$3,800 for a large firm.

The above trade mission fees include the \$400 participation fee for the Trade Americas - Opportunities in Central America Conference to be held in Guatemala City on June 22, 2015.

There will be a \$200 fee for each additional firm representative (SME or large firm) that wishes to participate in business-to-business meetings after the conference on Tuesday in Guatemala and on Thursday in any of the markets selected.

Expenses for travel, lodging, most meals, and incidentals will be the responsibility of each mission participant.

Conditions for Participation:

- An applicant must submit a completed and signed mission application and supplemental application materials, including adequate information on the company's products and/or services, primary market objectives, and goals for participation. If the Department of Commerce receives an incomplete application, the Department may reject the application, request additional information, or take the lack of information into account when evaluating the applications.
- Each applicant must also certify that the products and services it seeks to export through the mission are either produced in the United States, or, if not, marketed under the name of a U.S. firm and have at least 51 percent U.S. content of the value of the finished product or service.

Selection Criteria for Participation: Selection will be based on the following criteria:

- Suitability of the company's products or services to each of the markets the company has expressed an interest in visiting as part of this trade mission.
- Company's potential for business in each of the markets the company has expressed an interest in visiting as part of this trade mission.
- Consistency of the applicant's goals and objectives with the stated scope of the mission.

Referrals from political organizations and any information, including on the application, containing references to political contributions or other partisan political activities will be excluded from the application and will not be considered during the selection process. The sender will be notified of these exclusions.

TIMEFRAME FOR RECRUITMENT AND APPLICATIONS

Mission recruitment will be conducted in an open and public manner, including publication in the Federal Register, posting on the Commerce Department trade mission calendar on www.export.gov, the Trade Americas webpage at <http://export.gov/tradeamericas/tradeevents/trademissions/centralamericajune2015/index.asp>, and other Internet web sites, press releases to the general and trade media, direct mail and broadcast fax, notices by industry trade associations and other multiplier groups and announcements at industry meetings, symposia, conferences, and trade shows.

Recruitment for the mission will begin immediately and conclude no later than March 20, 2015. The U.S. Department of Commerce will review applications from the applicant pool and will make selection decisions on a rolling basis beginning 14 days after publication of this Federal Register notice, until the maximum of 35 participants are selected.

After March 20, 2015, companies will be considered only if space and scheduling constraints permit.

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